

House Study Bill 567 - Introduced

HOUSE FILE _____

BY (PROPOSED COMMITTEE ON
ECONOMIC GROWTH/REBUILD
IOWA BILL BY CHAIRPERSON
GRASSLEY)

A BILL FOR

- 1 An Act creating a tracking and reporting system for certain tax
- 2 credits awarded by the economic development authority.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 15.104, subsection 8, Code Supplement
2 2011, is amended by adding the following new paragraph:

3 NEW PARAGRAPH. *m.* The tax credit report prepared pursuant
4 to section 15.119, subsection 5.

5 Sec. 2. Section 15.119, subsection 4, Code Supplement 2011,
6 is amended to read as follows:

7 4. The authority shall submit to the department of revenue
8 on or before August 15 of each year a report on the tax credits
9 allocated pursuant to this section and the tax credits awarded
10 under each of the programs described in subsection 2. The
11 department of revenue shall submit to the authority on or
12 before November 15 of each year a report on the tax credits
13 claimed and allowed under each program described in subsection
14 2.

15 Sec. 3. Section 15.119, Code Supplement 2011, is amended by
16 adding the following new subsection:

17 NEW SUBSECTION. 5. *a.* The authority, in conjunction with
18 the department of revenue, shall develop and maintain a system
19 to track all tax credits allocated, awarded, and claimed under
20 each of the programs described in subsection 2. It is the goal
21 of the tracking system to effectively track each tax credit
22 from the date it is awarded by the authority to the date it
23 is ultimately claimed by the recipient and allowed by the
24 department of revenue. The system shall track, at a minimum,
25 the following information for each tax credit awarded:

26 (1) The type of tax credit.

27 (2) The recipient of the tax credit.

28 (3) The date the tax credit was awarded by the authority,
29 and the amount awarded.

30 (4) The date the tax credit was claimed by the recipient,
31 and the amount claimed.

32 (5) The date the tax credit was allowed by the department of
33 revenue, and the amount allowed.

34 (6) The amount, if any, of the tax credit available to the
35 recipient for carryforward into future tax years and the date

1 the tax credit carryforward will expire.

b. If disclosure of the information in paragraph "a", subparagraph (2), would cause the authority or the department of revenue to violate any state or federal law relating to privacy or confidentiality, the identity of the recipient may be concealed and replaced with a nondescriptive designation that allows the authority and the department of revenue to effectively track the tax credit.

9 c. The tracking system shall be updated at least annually,
10 and a joint report from both the authority and the department
11 of revenue containing all the information required by this
12 subsection shall be compiled each year and submitted by the
13 board to the general assembly and the governor by January 31 as
14 part of the board's annual reporting duties in section 15.104,
15 subsection 8.

EXPLANATION

17 This bill requires the economic development authority, in
18 conjunction with the department of revenue, to develop and
19 maintain a system to track all tax credits awarded by the
20 economic development authority through its programs under the
21 aggregate tax credit limit cap in Code section 15.119. For
22 each tax credit awarded, the system shall track the type,
23 the recipient, the date and amount awarded by the economic
24 development authority, the date and amount claimed by the
25 recipient, the date and amount allowed by the department of
26 revenue, and the amount and expiration date of any tax credit
27 available to a recipient for carryforward into future tax
28 years.

29 The tracking system is required to be updated at least
30 annually and compiled into a report to be provided by January
31 15 of each year to the general assembly and the governor.

32 If disclosure of the tax credit recipient's identity would
33 cause the economic development authority or the department of
34 revenue to violate any state or federal law related to privacy
35 or confidentiality, the recipient's identity may be concealed

1 and replaced with a nondescriptive designation that allows for
2 the effective tracking of the tax credits.

3 The bill also requires the department of revenue to submit
4 to the authority on or before November 15 of each year a report
5 on the tax credits claimed and allowed pursuant to each of
6 the programs under the aggregate tax credit limit cap of the
7 economic development authority.